



AMERICAN MEAT INSTITUTE

J. Patrick Boyle
President and C.E.O.
November 13, 2003

The Honorable William Thomas
United States House of Representatives
2208 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Thomas:

I am writing today on behalf of the more than 250 meat-packing and processing members of the American Meat Institute (AMI) to convey our support for the legislation designed to replace the Foreign Sales Corporation/Extraterritorial Income Benefit (FSC/ETI) as part of the American Jobs Creation Act of 2003.

The member companies of AMI manufacture and market their products in a world marketplace. Many member companies have significantly benefited from the favorable treatment of the FSC/ETI by allowing them to compete with foreign-based competitors, build critical demand for American goods, create jobs, and encourage domestic growth to the benefit of the American economy. The ability of our members to remain competitive in world markets is closely tied to the competitiveness of our manufacturing sector and the international taxation rules we operate under. We are encouraged by the direction that the bill has taken with respect to these key issues.

AMI is supportive of a comprehensive approach to FSC/ETI reform that has as a goal the enhanced competitiveness of U.S. firms. This should include a reduction in the existing corporate tax rate for U.S. manufacturers as well as necessary international tax reforms as part of any legislation to conform U.S. tax policy to the WTO decisions.

AMI also urges you to take whatever steps are necessary to move forward to complete the legislative process this year. As you are well aware, the European Union has indicated that continuing failure to resolve this issue by the U.S. will result in the commencement of phased-in retaliation beginning as early as next spring, and U.S. food agricultural exports are certain to be at the top of the EU's list.

Thank you for your leadership on this important matter, and we look forward to working with you as this progresses in the legislative process.

Sincerely,

J. Patrick Boyle